

13-35-301 Termination or noncontinuance of franchise.

- (1) Except as provided in Subsection (2), a franchisor may not terminate or refuse to continue a franchise agreement unless:
 - (a) the franchisee has received written notice from the franchisor 60 days before the effective date of termination or noncontinuance setting forth the specific grounds for termination or noncontinuance that are relied on by the franchisor as establishing good cause for the termination or noncontinuance;
 - (b) the franchisor has good cause for termination or noncontinuance; and
 - (c) the franchisor is willing and able to comply with Section 13-35-105.
- (2) A franchisor may terminate a franchise, without complying with Subsection (1):
 - (a) if for a particular line-make the franchisor or manufacturer discontinues that line-make;
 - (b) if the franchisee's registration as a new powersport vehicle dealer is revoked under Section 13-35-105; or
 - (c) upon a mutual written agreement of the franchisor and franchisee.
- (3)
 - (a) At any time before the effective date of termination or noncontinuance of the franchise, the franchisee may apply to the advisory board for a hearing on the merits, and following notice to all parties concerned, the hearing shall be promptly held as provided in Section 13-35-304.
 - (b) A termination or noncontinuance subject to a hearing under Subsection (3)(a) may not become effective until:
 - (i) final determination of the issue by the executive director; and
 - (ii) the applicable appeal period has lapsed.

Amended by Chapter 268, 2005 General Session